John J. Pringle, Jr.

Direct dial: 803/343-1270 jpringle@ellislawhorne.com

## April 28, 2004

## VIA ELECTRONIC MAIL SERVICE AND 1<sup>ST</sup> CLASS MAIL SERVICE

The Honorable Bruce Duke
Executive Director
South Carolina Public Service Commission
PO Drawer 11649
Columbia SC 29211

RE: Application of Spectrotel, Inc. for a Certification of Public Convenience

and Necessity to Provide Facilities-Based Local Exchange and Resold Long Distance Telecommunications Services and for Flexible Regulation of Its Local Exchange Services and Alternative Regulation of Its Long

Distance Offerings

Docket No. 2004-48-C, Our File No. 815-10217

Dear Mr. Duke:

Enclosed is the original and twenty-five (25) copies of the **Testimony of Mona Power** filed on behalf of Spectrotel, Inc. in the above-referenced docket.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it in the enclosed envelope.

If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,

/S/

John J. Pringle, Jr.

JJP/cr

cc: Ms. Mona Power

Mr. Craig Neeld all parties of record

Enclosures

# **BEFORE THE**

## **PUBLIC SERVICE COMMISSION**

# OF SOUTH CAROLINA

APPLICATION OF SPECTROTEL, INC.	)	
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND	)	
NECESSITY TO PROVIDE FACILITIES BASED	)	
LOCAL EXCHANGE AND RESOLD LONG	)	DOCKET NO. 2004-48-C
DISTANCE TELECOMMUNICATIONS SERVICES	)	
AND FOR FLEXIBLE REGULATION OF ITS LOCAL	)	
EXCHANGE SERVICES AND ALTERNATIVE	)	
REGULATION OF ITS LONG DISTANCE	)	
SERVICE OFFERINGS	)	

Spectrotel, Inc.

Testimony of

Mona D. Power

1 Q. Will you please state your name and business ad	laaress.
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- 2 A. My name is Mona Power. My business address is 655 Shrewsbury Ave., Suite 302, Shrewsbury, New
- 3 Jersey 07702.

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- 5 Q. By whom are you employed and in what capacity?
- 6 A. I am Director of Corporate Development for Spectrotel, Inc. I am primarily responsible for directing
- the company's entry into new markets and for investigating and developing new lines of business for
- the company. These responsibilities allow me to interact with all operations of the company.

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- 10 Q. Please give a brief description of your background and experience.
- 11 A. Prior to joining Spectrotel, I was the Senior Manager Network Project Management for AT&T
- 12 Canada, formerly MetroNet communications, where I was responsible for managing the
- implementation of network projects. While at MetroNet, I led the Network Integration of AT&T,
- MetroNet and Netcom's voice and data networks. From 1996-1998, I was Director of Corporate
- Development for TelAlert Inc., a startup telephone manufacturing and design company.

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- Q. What is the purpose of your testimony?
- 18 A. The purpose of my testimony is to present evidence describing the technical, managerial and financial
- fitness of Spectrotel to provide resold and facilities-based local telecommunications services, and
- 20 resold interexchange telecommunications services in South Carolina. This testimony will also
- describe the services proposed by Spectrotel and the proposed tariff structure. Finally, the purpose of
- 22 my testimony is to show that the public interest will be served by approval of the application of
- Spectrotel for a certificate of public convenience and necessity.

1	Ų.	mas spectroter registered to do business in South Caronna:
2	A.	Yes. Spectrotel received foreign corporation authority in South Carolina on October 17, 2003.
3		That document was attached to the Application as Exhibit A.
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5	Q.	Please explain the Company's corporate structure.
6	A.	Spectrotel is a privately held foreign corporation incorporated on February 29, 2000 as Plan B
7		Communications, Inc. The name was changed to Spectrotel, Inc on October 11, 2002. The Company
8		is incorporated under the laws of the State of Delaware.
9		
10	Q.	Please describe the services Spectrotel proposes to offer.
11	A.	Spectrotel, Inc. will provide local exchange telecommunications service via UNE-P, and resold
12		interexchange telecommunications services. Service is provided primarily to business customers.
13		Service is provided twenty-four (24) hours per day, seven (7) days a week.
14		
15	Q.	Does Spectrotel own any network switches or transmission facilities used in routing calls?
16	A.	No.
17		
18	Q.	How will Spectrotel bill for its services?
19	A.	Calls are billed directly by the Company.
20		
21	Q.	How are trouble reports handled?
22	A.	Spectrotel utilizes a nationwide toll-free number 888-773-9722 for customer service. Customers may
23		access a live customer service representative 24 hours a day, seven days a week.
24		

## Q. How are billing errors and complaints handled?

2 A. Spectrotel utilizes a nationwide toll-free number, 888-773-9722, for customer service. Customers

may also contact the Company via mail at the headquarters location, or via email at

care@spectrotel.com.

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## Q. Describe the proposed Spectrotel South Carolina tariffs.

7 A. Spectrotel has included proposed tariffs which contain the rules, regulations and rates for Spectrotel's

local and interexchange services. Spectrotel proposes to resell interexchange telecommunications

services including travel service available through toll-free access. The Company's local exchange

services tariff provides descriptions and rates for local exchange services, including custom calling

features. Lastly, the Company provides an exchange access tariff. Spectrotel's services are neither

mileage nor time-of-day sensitive.

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### Q. Does Spectrotel provide operator services?

15 A. Yes, only to its presubscribed customers. The Company's final tariff will indicate that the maximum

rates for operator services charges and surcharges will not exceed those rates mandated by

Commission Order 2001-997 issued in Docket No. 2000-407-C.

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#### Q. Where is Spectrotel currently certificated?

A. The Company currently operates in New Jersey, New York, Massachusetts, Pennsylvania and

Maryland. In addition the Company is currently authorized to operate in Delaware, Florida and North

Carolina. Spectrotel has not been denied certification from any state utility commission nor has it had

a certificate revoked in any state.

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		Describe S	nectrotel's	tinanciai	ability t	n or	ierate as a	i telec	ommunications	nrovider.
V	•	Describe 5	pectioner s	minum	ubility t	U U	ter acc as a	· ·····	ommunications	provider.

A. Spectrotel has ample capital to provide the services for which authority is requested. Spectrotel is providing its Audited Financial Statements and most recent Income Statement and Balance Sheet as proof of its financial stability to provide the required services within the State of South Carolina. This information is attached and labeled for identification purposes as Exhibit C of the company's Application. The Company is not planning to install any plant or equipment in the state. Serving additional markets via UNE-P for local exchange and resale for interexchange do not require substantial capital investment. Thus, the incremental cost of expansion is minimal.

Q.

## Do you believe Spectrotel is capable of delivering its proposed services in South Carolina?

A. Yes, in addition to having sufficient financial resources, the senior management team of Spectrotel has a varied and detailed background in telecommunications. In addition, Spectrotel has experience offering local exchange services on a facilities-basis in New Jersey, New York, Massachusetts, Maryland and Pennsylvania. The Company presently has approximately 13,000 local exchange customers.

## Q. Where in South Carolina does Spectrotel intend to offer its services and how will those services

#### be offered?

A. Spectrotel intends to offer local telecommunications service via UNE-P and resold interexchange telecommunications service throughout the BellSouth serving area to residential and business customers.

#### Q: Does the Company have offices in South Carolina?

A: No. The Company does not intend to have offices in South Carolina. Accordingly, the Company

requests, pursuant to Commission Rule 103-610, that the Commission authorize the Company to keep its books and records at its offices in New Jersey. Upon request, the Company will provide such books and records to the Commission and its Staff on an expedited basis and at the Company's expense.

Q:

A:

#### What regulatory treatment is Spectrotel seeking for its local exchange services?

Spectrotel requests that the Commission allow the Company to employ a flexible local exchange rate structure first authorized by Order No. 98-165 in Docket No. 97-467-C. Specifically, Spectrotel requests that the Commission: a) adopt for its local exchange services a competitive rate structure incorporating maximum rate levels with the flexibility for rate adjustment below the maximum rate levels; and b) presume that Spectrotel's tariff filings for local exchange services be valid upon filing, subject to the Commission's authority, within thirty (30) days, to institute an investigation of such filings. At the discretion of the Commission such filings may be suspended pending further order of the Commission and any such filings may be subject to the same monitoring process as the Commission applies to other, similarly situated carriers.

A:

#### Q: What regulatory treatment is Spectrotel seeking for its interexchange services?

Applicant requests that its business service offerings be regulated pursuant to the procedures described and set forth in Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, as modified by Order No. 2001-997 in Docket No. 2000-407-C. Specifically, Applicant requests that the Commission regulate its business services in the same manner as the Commission regulates those of AT&T Communications of the Southern States, Inc. ("AT&T"). Further, Applicant requests that the Commission: a) Remove the maximum rate tariff requirements for Applicant's business services and future private line, and customer network-type offerings; b) Presume that Applicant's tariff filings for

these services be valid upon filing. However, if the Commission institutes an investigation of a particular filing within seven (7) days, the tariff filing will be suspended until further order of the Commission; and c) Grant Applicant the same treatment as AT&T in connection with any future relaxation of the Commission's reporting requirements.

A.

## Q. How will South Carolina consumers benefit from Spectrotel's services?

Granting Spectrotel's application will introduce a telecommunications service provider committed to providing high quality, innovative, and technologically advanced services that will further increase telecommunications competition within the State of South Carolina. Spectrotel's network will utilize state-of-the art technology. Spectrotel's service offerings will increase consumer choice, improve the quality and efficiency in telecommunications services and will likely lead to the reduction of consumer costs, as well as stimulate development of additional services by providing competitive incentives to other providers. Thus, granting Spectrotel's application is in the public interest.

- Q. Does this conclude your testimony?
- 16 A. Yes.

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AND FOR FLEXIBLE REGULATION OF ITS LOCAL	)
EXCHANGE SERVICES AND ALTERNATIVE	)
REGULATION OF ITS LONG DISTANCE	)
SERVICE OFFERINGS	)

This is to certify that I have caused to be served this day, one (1) copy of the **Testimony of Mona Power** by placing a copy of same in the care and custody of the United States Postal Service (unless otherwise specified), with proper first-class postage affixed hereto and addressed as follows:

Margaret Fox, Esquire McNair Law Firm, PA PO Box 11390 Columbia SC 29211

/S/	
Carol Roof	

April 28, 2004 Columbia, South Carolina